

**LEGISLATIVE SERVICES AGENCY  
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**FISCAL IMPACT STATEMENT**

**LS 7405**

**BILL NUMBER:** SB 421

**NOTE PREPARED:** Jan 6, 2009

**BILL AMENDED:**

**SUBJECT:** Net Metering.

**FIRST AUTHOR:** Sen. Hershman

**FIRST SPONSOR:**

**BILL STATUS:** As Introduced

**FUNDS AFFECTED:**    **GENERAL**  
                          **X DEDICATED**  
                          **FEDERAL**

**IMPACT:** State

**Summary of Legislation:** This bill requires the Indiana Utility Regulatory Commission (IURC) to adopt emergency rules amending the IURC's rules concerning net metering to allow the interconnection of net metering facilities that have a nameplate capacity of 100 kilowatts or less. It voids existing rules to the extent they do not comply with the requirements for the amended rules. It also requires the IURC to report to the Regulatory Flexibility Committee on the IURC's progress in adopting the amended rules.

**Effective Date:** Upon passage.

**Explanation of State Expenditures:** *IURC:* This bill could increase IURC's administrative expenditures. The bill requires the IURC to amend rules concerning net metering to allow the interconnection of net metering facilities that have a nameplate capacity of 100 kilowatts or less. The IURC is also required to submit a report by November 1, 2009, to the Regulatory Flexibility Committee concerning the progress of amending these rules. It is estimated that the IURC will be able to implement these provisions within its existing level of resources.

**Background Information** -As stated by the U.S. Department of Energy, "net metering allows consumers to offset the cost of electricity they buy from a utility by selling renewable electric power generated at their homes or businesses back to the utility. In essence, a customer's electric meter can run both forward and backward in the same metering period, and the customer is charged only for the net amount of power used."

**Explanation of State Revenues:**

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:**

**State Agencies Affected:** IURC.

**Local Agencies Affected:**

**Information Sources:** U.S. Department of Energy website;  
<[http://www.eere.energy.gov/states/alternatives/net\\_metering.cfm](http://www.eere.energy.gov/states/alternatives/net_metering.cfm)>

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